

A²+B_®

ABERLAG LIMITED
(Company Number: 169027)

ABBREVIATED ACCOUNTS

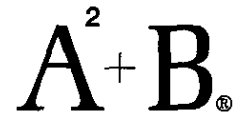
30 JUNE 2004



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COMPANIES HOUSE 06/07/05

Anderson Anderson & Brown
Chartered Accountants

ABERLAG LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES



Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether or not applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and,
- (d) prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ABERLAG LIMITED
ABBREVIATED BALANCE SHEET – 30 JUNE 2004

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	Note	30 June 2004 £	31 October 2003 £
TANGIBLE FIXED ASSETS	3	30,687	42,864
CURRENT ASSETS			
Stock and work in progress		8,019	57,149
Debtors		539,038	564,236
		547,057	621,385
CREDITORS: <i>amounts falling due within one year</i>		760,238	696,449
NET CURRENT LIABILITIES		(213,181)	(75,064)
EXCESS OF CURRENT LIABILITIES OVER TOTAL ASSETS		(182,494)	(32,200)
CREDITORS: <i>amounts falling due after more than one year</i>		83,741	12,912
EXCESS OF LIABILITIES OVER ASSETS		£ (266,235)	£ (45,112)
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and loss account		(266,237)	(45,114)
SHAREHOLDERS' FUNDS		£ (266,235)	£ (45,112)

In the directors' opinion the company is entitled under Section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the period ended 30 June 2004. No members who are entitled to, have requested an audit in terms of Section 249B(2) of the Companies Act 1985.

The directors are responsible for ensuring that the company keeps accounting records which comply with Section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each year in accordance with the requirements of Section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

Signed on behalf of the board of directors

Director – *Narvie*

30.6.05

Date

1. GOING CONCERN

The accounts have been prepared on a going concern basis which assumes the company will continue to trade and meet its liabilities as they fall due.

The directors have taken steps to improve profitability and to improve cash flow. The company's bankers continue to support the company and the new owners have also provided financial support since acquiring the company.

The company is now trading profitably and while the directors cannot be certain as to the outcome of future events, they confidently expect that the company's financial performance will improve and they believe it is appropriate for the accounts to be prepared on a going concern basis.

2. ACCOUNTING POLICIES

(a) *Basis of accounts preparation*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) *Depreciation*

The cost of fixed assets is written off over the expected useful lives of the assets by equal monthly instalments as follows:

Motor vehicles	3-4 years
Plant and equipment	3 years
Office equipment	3 years

(c) *Work in progress*

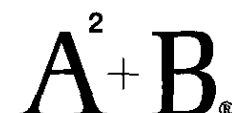
Work in progress is stated at the lower of cost and net realisable value and after deducting any progress payments. Cost includes all costs incurred in bringing each product to its present location and condition, including cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Profit on contracts of a significant value is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated in a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Profit is calculated as the proportion of total contract value which income derived to date [bears] to total expected income from the contract. Full provision is made for losses on all contracts in the year in which they are foreseen.

ABERLAG LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS – 30 JUNE 2004

**2. ACCOUNTING POLICIES (continued)****(d) *Deferred taxation***

Provision is made for deferred taxation, using the liability method, on all timing differences to the extent that it is probable that the liability will crystallise.

(e) *Hire purchase and finance lease commitments*

Assets obtained under hire purchase contracts and finance lease contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligation is charged to the profit and loss account on a straight line basis.

(f) *Operating leases*

Leasing charges in respect of operating leases are recognised in the profit and loss account as incurred.

(g) *Pensions*

The company contributes to a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

3. TANGIBLE FIXED ASSETS

	£
COST	
At 1 November 2003	139,194
Additions	3,850
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At 30 June 2004	143,044
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DEPRECIATION	
At 1 November 2003	96,330
Charge for period	16,027
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At 30 June 2004	112,357
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Net book amounts at:	
30 June 2004	£ 30,687
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31 October 2003	£ 42,864
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3. TANGIBLE FIXED ASSETS (continued)

The net book value of tangible fixed assets includes an amount of £30,687 (2003 - £34,874), in respect of assets held under hire purchase contracts and finance leases.

4. CALLED UP SHARE CAPITAL

2004 & 2003

Authorised: 100 Ordinary shares of £1 each

£ 100

Allotted, called up and fully paid: 2 Ordinary shares of £1 each

£ 2

5. SECURITY

The Royal Bank of Scotland plc hold a bond and floating charge over the assets of the company.

6. POST BALANCE SHEET EVENT

In July 2004 the entire issued share capital of the company was acquired by the Chess Group plc.